

Charlestown Mall

Box 12

Document 2

Key Bank of Central New York
201 South Warren Street, Syracuse, New York 13202

Frank S. Morano
Vice President

June 21, 1984

Mr. Charles A. Gaetano
311 Turner Street
Utica, NY 13501

Re: 39 Unit Condominium
Academy at South Gate

Dear Mr. Gaetano:

We are pleased to advise you that Key Bank has approved your application for a \$1,350,000 first mortgage loan on the conversion of the former school to condominiums. This construction mortgage will be drawn on demand basis, with interest payable monthly on funds advanced at 1% over Key Bank's prime rate, floating, to change on the first day of each calendar quarter.

This commitment is subject to the following terms and conditions:

- (a) You will provide the Bank with a title insurance policy in favor of Key Bank in the amount of the mortgage.
- (b) You will provide a current survey of the 3.5 acre parcel, certified to the title company, plotting the building improvements (including 40 single stall garages), 42 parking spaces, maintenance building, easements, right of ways, etc.
- (c) Builder's risk insurance coverage is required, naming Key Bank as first mortgagee.
- (d) Building permit from the City of Utica.
- (e) A building loan agreement is to be drawn.
- (f) We will require a construction contract from Lakewood Construction Corp. and a copy of the plans and specifications.
- (g) We will require a fee appraisal, ratified by mortgagor officer and one director. We understand one was prepared a year ago.




Mr. Charles A. Gaetano
Page Two
June 21, 1984

- (h) Origination fee of 1% (\$13,000.00) payable ~~at as~~ ^{Loan} ~~closing~~ ^{proceed} advanced.
- (i) It is understood that the Catholic Diocese will have a second lien in the amount of \$300,000.
- (j) Advances will be monthly upon presentation of architect's certification by Greg Forrentino, architect, as to the amount of work and materials put in place. Advances will not exceed 55% of value of the work completed, less 5% holdback.
- (k) Key Bank's release requirement on units sold will be 50% of net sale price of each unit, less 18.75% to the Catholic Diocese, on the first 12 units sold. The sponsor will be receiving 50% of the net sales price. This release requirement must be approved by the second lien holder. The release requirement on the remaining units will be 70% of the net sales price, less 18.75% to the Catholic Diocese. Sales prices are listed on Schedule "A" of the prospectus and, if amended, we will require the changes.
- (l) The maximum amount that will be advanced on this construction mortgage will be \$900,000 until the offering plan is declared effective and the property will become a condominium on the recording of the declaration and filing of the floor plans in the office of the clerk, Oneida County. This shall occur after the execution of a Purchase and Sale Agreement by sponsor and a prospective purchaser of six (6) units before title is transferred.

If the above terms and conditions are acceptable, please indicate by signing and returning a copy of this letter by July 5, 1984.

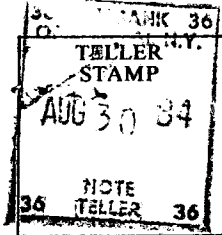
Very truly yours,


Frank S. Morano
Vice President

FSM/ck
cc G. Kavney, Utica
W. Grabau
A. Brown



RECEIPT FOR FUNDS RECEIVED



AMOUNT

253736	30
--------	----

☐ SAVINGS ACCOUNT DEPOSIT

☐ CHECKING ACCOUNT DEPOSIT

☐ MASTER CHARGE PAYMENT

☐ LINE OF CREDIT PAYMENT

☒ OTHER _____

6177B 1/79 ACCOUNT NUMBER

Prin. 250,000 —
Int. 3643.84

Int. 107714 92.46
NOTE:



Key Bank of
Central New York
MEMBER FDIC

Involved. Innovative. Professional.

36 31024

TIME DISCLOSURE NOTE

Charles A. Gaetano
Office #36, Utica, Genesee Street

252,876.71

Date July 23, 1984

Total of Payments

On August 22, 1984, I, the Borrower, promise to pay to the order of Key Bank of Central New York (Bank), at the office shown above, or, if no office is shown, at 201 South Warren Street Syracuse, NY 13202, the amount set forth as the "Total of Payments":

1. AMOUNT FINANCED
The amount of credit provided to me or on my behalf. \$250,000.00
2. FINANCE CHARGE
The dollar amount the loan will cost me. W/Int. \$ 2,876.71
3. TOTAL OF PAYMENTS
The amount I will have paid after I have made my payment as scheduled. \$252,876.71
4. FILING FBES \$ -0-
5. PAYMENT SCHEDULE
One payment of \$ 252876.71 due on August 22, 1984

6. ANNUAL PERCENTAGE RATE
The cost of my credit as a yearly rate 14.00% to float 1% above Key Bank prime.
7. SECURITY
☐ The goods or property being purchased.
☐ Securities
☒ My deposit accounts with you.
Collateral securing other loans with the Bank may also secure this loan.
8. PREPAYMENT: If I pay the Note in full early, I may be entitled to a refund of part of the finance charge.
9. INSURANCE: If the Bank requires property insurance, I may obtain it from anyone I want.

See pertinent information below for any additional information about non-payment and default.

10. ITEMIZATION OF THE AMOUNT FINANCED OF \$250,000.00

\$ _____ Amount given to me directly.

\$ 250,000.00 Amount paid on my account number 107714

\$ _____

11. PREPAYMENT: If I pay the note in full early, any unearned portion of the finance charge shall be refunded to me, pro rata (in proportion to the time outstanding) to the date of prepayment.
12. SECURITY INTEREST AND RIGHT TO CHARGE ACCOUNTS: I agree to all of the following terms relating to security:
(a) To protect the Bank, if I default on this Note or any other present or future debt to the Bank, I give you a security interest (sometimes called a lien or pledge) in the following securities and property including accessories:

Description of Property

- (b) My responsibility to pay this Note is also secured by any of my other securities or property which now, or in the future, may be in the possession of, or pledged to, the Bank (except real property mortgages).
- (c) If, at any time, the market value of the securities securing this Note declines below its present level, I will deliver to the Bank, at the Bank's request, additional securities which are satisfactory to the Bank in order to restore the value of the security to the same level as that of the date of this Note.
- (d) I will immediately deliver to the Bank any stock dividends or splits of the above securities.

- (e) All securities will be accompanied by proper instruments of transfer (stock or bond powers).
- (f) Any securities may be transferred to the name of the Bank's nominee (agent of the Bank), whether or not I am in default.
- (g) I understand that the Bank may charge any of my deposit accounts at the Bank (take money out of my accounts) in order to pay any amounts that I owe the Bank under this Note.
13. DEFAULT AND SALE OF SECURITIES AND PROPERTY: I'll be in default if any of the following happens:
(a) If I don't repay this loan on time.
(b) If I don't pay any other money I owe you when it is due.
(c) If I become involved in a bankruptcy or similar proceeding as a debtor.
(d) If I die.
(e) If I fail to keep any promise I made in this note.
(f) If anything I have told you in my credit application is false.

Wherever the word "Default" is used, it means any one of the above.

Upon the happening of any of the above events of default, the Bank has the right: (1) to declare the entire unpaid balance of this Note and any other of my notes or obligations to the Bank to be immediately due and payable, and (2) to sell the securities and property securing this Note and apply the net sales proceeds to the unpaid balance.

14. ATTORNEYS' FEES: If this Note is referred to an attorney to recover any amount owing to the Bank, I agree to pay the Bank's reasonable attorneys' fees.
15. LIABILITY OF MULTIPLE BORROWERS: If this Note is signed by more than one Borrower, the words "I", "me", and "my" refer to each Borrower, and the Bank may recover the full amount due on this Note from any one, or all, of the Borrowers.
16. LEGAL QUESTIONS: Any legal questions concerning this Note will be decided by New York State Law.
17. ACKNOWLEDGEMENT OF COPY: I acknowledge receipt of a completely filled in copy of the Note at the time it was signed.

Q195343

Account Code

311 Turner Street

Address

Utica, NY 13501

Address

Charles A. Gaetano
Signature

Signature

☐ General Collateral Pledged

(date)

Bank mm

FOR BANK USE ONLY

R-0

ACCT. # 36 19034 000Renew # 107714 (1)FRB # 212 100 6FO# of Days 30 \$ or Cr.Note # 107785

App. Off. _____

A/C Off. GK#123Rate 365 14Amt. of Disc. Coll. \$ w/interestEnd. noGuar. no

TIME DISCLOSURE NOTE

Charles A. Gaetano

Date June 22, 1984Office #36, Utica, Genesee St\$ 252,866.44

Total of Payments

On July 23, 1984, I, the Borrower, promise to pay to the order of Key Bank of Central New York (Bank), at the office shown above, or, if no office is shown, at 201 South Warren Street Syracuse, NY 13202, the amount set forth as the "Total of Payments":

1. AMOUNT FINANCED
The amount of credit provided to me or on my behalf. \$ 250,000.00
2. FINANCE CHARGE
The dollar amount the loan will cost me. W/Int. \$ 2866.44
3. TOTAL OF PAYMENTS
The amount I will have paid after I have made my payment as scheduled. \$ 252,866.44
4. FILING FEES \$ -0-
5. PAYMENT SCHEDULE
One payment of \$ 252866.44 due on July 23, 1984

6. ANNUAL PERCENTAGE RATE 13.50 % to float 1%
The cost of my credit as a yearly rate above Key Bank prime
7. SECURITY
☐ The goods or property being purchased.
☐ Securities
☒ My deposit accounts with you.
Collateral securing other loans with the Bank may also secure this loan.
8. PREPAYMENT: If I pay the Note in full early, I may be entitled to a refund of part of the finance charge.
9. INSURANCE: If the Bank requires property insurance, I may obtain it from anyone I want.

See pertinent information below for any additional information about non-payment and default.

10. ITEMIZATION OF THE AMOUNT FINANCED OF \$ 250000.00\$ 250000.00 Amount given to me directly.

\$ _____ Amount paid on my account number _____

\$ _____

11. PREPAYMENT: If I pay the note in full early, any unearned portion of the finance charge shall be refunded to me, pro rata (in proportion to the time outstanding) to the date of prepayment.

12. SECURITY INTEREST AND RIGHT TO CHARGE ACCOUNTS: I agree to all of the following terms relating to security:

- (a) To protect the Bank, if I default on this Note or any other present or future debt to the Bank, I give you a security interest (sometimes called a lien or pledge) in the following securities and property including accessories:

Description of Property

- (b) My responsibility to pay this Note is also secured by any of my other securities or property which now, or in the future, may be in the possession of, or pledged to, the Bank (except real property mortgages).

- (c) If, at any time, the market value of the securities securing this Note declines below its present level, I will deliver to the Bank, at the Bank's request, additional securities which are satisfactory to the Bank in order to restore the value of the security to the same level as that of the date of this Note.

- (d) I will immediately deliver to the Bank any stock dividends or splits of the above securities.

- (e) All securities will be accompanied by proper instruments of transfer (stock or bond powers).
(f) Any securities may be transferred to the name of the Bank's nominee (agent of the Bank), whether or not I am in default.
(g) I understand that the Bank may charge any of my deposit accounts at the Bank (take money out of my accounts) in order to pay any amounts that I owe the Bank under this Note.

13. DEFAULT AND SALE OF SECURITIES AND PROPERTY: I'll be in default if any of the following happens:

- (a) If I don't repay this loan on time.
(b) If I don't pay any other money I owe you when it is due.
(c) If I become involved in a bankruptcy or similar proceeding as a debtor.
(d) If I die.
(e) If I fail to keep any promise I made in this note.
(f) If anything I have told you in my credit application is false.

Wherever the word "Default" is used, it means any one of the above.

Upon the happening of any of the above events of default, the Bank has the right: (1) to declare the entire unpaid balance of this Note and any other of my notes or obligations to the Bank to be immediately due and payable, and (2) to sell the securities and property securing this Note and apply the net sales proceeds to the unpaid balance.

14. ATTORNEYS' FEES: If this Note is referred to an attorney to recover any amount owing to the Bank, I agree to pay the Bank's reasonable attorneys' fees.

15. LIABILITY OF MULTIPLE BORROWERS: If this Note is signed by more than one Borrower, the words "I", "me", and "my" refer to each Borrower, and the Bank may recover the full amount due on this Note from any one, or all, of the Borrowers.

16. LEGAL QUESTIONS: Any legal questions concerning this Note will be decided by New York State Law.

17. ACKNOWLEDGEMENT OF COPY: I acknowledge receipt of a completely filled in copy of the Note at the time it was signed.

Q195343

Account Code

311 Turner St.

Address

Utica, N.Y. 13501

Address



Signature

Signature

FOR BANK USE ONLY

☐ General Collateral Pledged

(date)

ACCT. # 36 19034 000Renew # newFRB # 212 100 6f0# of Days 31

S or Cr.

Note # 107714

App. Off. _____

A/C Off. GWK#123Rate 365 13 1/2Amt. of Disc. Coll. \$ w/interestEnd. noGuar. no

BUILDING LOAN CONTRACT

AGREEMENT made this day of August, 1984, between CHARLES A. GAETANO, residing at 1928 Redfield Road, Utica, Oneida County, New York, herein-after referred to as the borrower, and KEY BANK OF CENTRAL NEW YORK, a New York banking corporation having its principal office at 201 South Warren Street, Syracuse, Onondaga County, New York, hereinafter referred to as the lender.

WHEREAS, the borrower has applied to the lender for a loan of One Million Three Hundred Fifty Thousand and 00/100ths (\$1,350,000.00) Dollars, to be advanced as hereinafter provided and to be evidenced by the note of the borrower for the payment of this sum, or so much thereof as shall at any time be advanced thereon with interest upon each amount so advanced from the date of such advance at the rate of one percent (1%) in excess of the "Prime Commercial Rate" in effect at the lender from time to time hereafter to be paid in accordance with the terms of a Building Loan Mortgage Note dated this date and to be secured by a first lien mortgage on the premises described as follows:

All that tract or parcel of land situate in the City of Utica, County of Oneida and State of New York, described as follows: BEGINNING at an iron rod being on the division line between St. Joseph's Nursing Home Co. of Utica, Inc. on the west and the site now being described on the east, said point also being 66.85 ft. westerly from the front entrance wall of the existing building (former Utica Catholic Academy Building); measuring thence S. 40 degrees 54' W. 237.00 ft. to an iron pipe; thence at 90 degrees S. 49 degrees 06' E. 50 ft.; thence at 90 degrees northeasterly 5 ft. to a point; thence S. 49 degrees 06' E. 40 ft. to a point; thence at 90 degrees southwesterly 5 ft. to a point; thence S. 49 degrees 06' E. 200 ft. to a point; thence at 90 degrees northeasterly 5 ft. to a point; thence S. 49 degrees 06' E. 20 ft. to a point; thence at 90 degrees southwesterly 5 ft. to a point; thence at 90 degrees S. 49 degrees 06' E. 117 ft. to an iron pipe; thence N. 55 degrees 39' E. 193.76 ft. to a railroad spike; thence N. 4 degrees 33' W. 204 ft. to a railroad spike in the center of a blacktop drive; thence N. 36 degrees 41' W. 303.23 ft. along the centerline of the blacktop to an iron rod; thence S. 53 degrees 17' W. 162.42 ft. to the point of beginning.

Also all that tract or parcel of land situate in the City of Utica, County of Oneida and State of New York, BEGINNING at a point being the most westerly corner of the southerly boundary or rear line of the site known as "The Academy at Southgate Condominium", measuring thence N. 49° 06' W. 35.63 feet to a point which point is the point of beginning; thence at right angles westerly 8 feet; thence N. 49° 06' W. parallel to the first course 131 feet to a point; thence at right angles easterly 8 feet to a point; thence S. 49° 06' E. 28 feet to a point; thence at right angles easterly 5 feet to a point; thence S. 49° 06' E. 20 feet to a point; thence at right angles westerly 5 feet to a point; thence S. 49° 06' W. 83 feet to the point of beginning.

With all the rights to the utilities and driveways servicing the site.

TOGETHER with a permanent easement of access for ingress and egress and the installment, replacement and maintenance of utility facilities on, under, over and across the following described strip of land:

ALL that certain strip of land situate, lying and being in the City of Utica, County of Oneida and State of New York, being bounded and described as follows:

Being a strip of land 50 ft. in uniform width, the northwest line of which commences at the most westerly corner of the first above-described parcel and runs S. 40 degrees 54' W. 464 ft. + to the curving northeast line of Eastwood Avenue. It is also intended that the entire southwest terminus of said easement shall coincide with the right of way line of said Eastwood Avenue.

It is also intended that this access for ingress and egress may be shared by the present and future owners of the premises presently owned by The Roman Catholic Diocese of Syracuse, New York and contiguous to the condominium site, and with such mortgage being subject to such access rights.

The premises herein described are shown on a Survey Map entitled "The Academy at Southgate Condominium" prepared by A.A. Santucci L.S. dated June 13, 1983 and redated as of August 2, 9 and 21, 1984 which survey map is to be filed in the Office of the Oneida County Clerk concurrently with the recording of the mortgage.

Together with all right and interest of Borrower in and to Miles Avenue as shown on such map and together with all rights of way and easements of record.

TOGETHER with all right, title and interest of the borrower/mortgagor in and to the land lying in the streets and roads in front of and adjoining these premises;

TOGETHER with all fixtures, chattels and articles of personal property now or hereafter attached to or used in connection with these premises, including but not limited to heating systems, furnaces, boilers, oil burners, radiators and piping, coal stokers, plumbing and bathroom fixtures, refrigeration, air conditioning and sprinkler systems, wash-tubs, sinks, gas and electric fixtures, stoves, ranges, awnings, screens, window shades, elevators, motors, dyanamos, refrigerators, kitchen cabinets, incinerators, plants and shrubbery and all other equipment and machinery, appliances, fittings, and fixtures of every kind in or used in the operation of the buildings standing on the premises, together with any and all replacements thereof and additions thereto; and

WHEREAS, the lender agrees to make the loan upon the terms, covenants and conditions hereinafter set forth, and the borrower agrees to take such loan and expressly covenants to comply with and perform all of the terms, covenants and conditions of this agreement,

NOW, THEREFORE, it is agreed between the parties as follows:

1. The borrower expressly covenants to make on the premises the improvements described in accordance with the plans and specifications therefor which the borrower agrees to file with all governmental authorities having jurisdiction and to obtain all necessary approvals of the plans and specifications and all necessary building permits from these authorities. The plans and specifications shall first be submitted to and approved by the lender in writing; and no changes or amendments thereto shall be made without first obtaining the written approval of the lender. The said improvements to be made are the building and reconstruction of the premises into a building containing thirty-nine (39) residential condominium units in accordance with plans, drawings and specifications submitted to Lender and as approved by all Governmental Bodies having jurisdiction.

2. The note and mortgage shall be upon such forms and containing such clauses as the lender shall determine are needed for the lender's protection. The mortgage shall be executed and acknowledged by all parties necessary to make it, as determined by the lender's attorney, and shall be a valid first lien on a good and marketable title in fee to the premises and on the fixtures and personal property to be covered thereby for all sums that may be advanced, free and clear of all liens, encumbrances and defects, except those, if any, to which the lender has expressly agreed herein to take or which the lender may hereafter waive. The bond or note and mortgage are to be delivered on the day of August, 1984, at p.m., at the office of the lender, 255 Genesee Street, Utica, New York.

3. The borrower at the time of the execution of this agreement or, at the option of the lender, at the time fixed for the delivery of the mortgage, shall pay all fees and charges agreed to be paid including the fees, if any, for the procuring and making of the loan and the charges for the examination of the title to the premises, title insurance, bank's attorney's fees, surveys, appraisals, inspections and drawing papers, and shall also pay the recording fees and cost of revenue stamps, if any, and architects', engineers' and building loan service fees.

4. The loan is to be advanced at such times and in such amounts as the lender shall determine, but tentatively in installments in accordance with the following schedule:

SCHEDULE OF PAYMENTS

The lender may, as provided in paragraph 5 of this agreement, advance parts of the whole of any installments before they become due in accordance with this schedule.

Upon the execution and delivery of said note and mortgage, the lender will advance the sum of Thousand and 00/100ths (\$,000.00) to the borrower on account of said loan.

From time to time thereafter (but not more frequently than monthly) and as the work in making the improvements progresses, upon receiving the Borrower's written request and an Architect's Certification certifying that certain expenditures, other than amounts previously advanced and exclusive of any such expenditures previously so certified and exclusive of any expenditures for material and equipment not incorporated in the improvement, have been made or incurred in accordance with said plans and specifications and specifying the items and amounts of such expenditures and the amount of work actually performed and materials incorporated in the improvement the lender will advance amounts at the rate of fifty-five (55%) percent of the value of the work completed less a five (5%) percent hold back and less installments of the lender's origination fee equal to one (1%) percent of the amount of each advance. Upon the completion of such improvements in accordance with such plans and specifications and upon receiving a Certificate of Occupancy issued by the governmental authority having jurisdiction of the same, and satisfactory assurance that the mortgaged property is free and clear from all mechanic's liens and other liens and encumbrances, the Lender will advance to the Borrower the balance of the loan herein agreed to be made.

Provided, however, that in no event shall the Lender be required to advance to the Borrower an amount which will, at any time, exceed 75% of the limitation on the then appraised value of the premises hereinabove described as determined by the Lender nor shall Lender be required to advance to the Borrower any amounts in excess of \$900,000.00 until the premises are declared a condominium in compliance with all applicable legal requirements..

5. No advance shall be due unless, in the judgment of the lender, all work usually done at the stage of construction when the advance is made payable be done in a good and workmanlike manner, and all materials and fixtures usually furnished and installed at that time are furnished and installed, and unless all construction be approved by the lender, but the lender may advance parts of the whole of any installments before they become due, if the lender believes it advisable so to do, and all such advances or payments shall be deemed to have been made in pursuance of this agreement and not to be modifications thereof. The making of any advance or any part of an advance shall not be deemed an approval or acceptance by the lender of the work theretofore done. Any advance or installment or any part or parts thereof may be postponed or deferred by mutual consent of the borrower and the lender, and any such postponement or postponements shall be deemed to be in pursuance of this agreement and not in modification thereof. A receipt for any advance shall be binding on the borrower.

6. The lender may require five days' notice in writing from the borrower before an advance shall be called for. All advances are to be made at the office of the lender or at such other place as the lender shall designate.

7. The lender may at any time release portions of the mortgaged premises from the provisions of this agreement and from the mortgage executed and delivered pursuant thereto upon such terms and conditions as the lender shall deem fit and more particularly upon the terms set forth in the mortgage.

8. The lender may at anytime extend the payment of the principal secured by the note and mortgage, and any extensions so granted shall be deemed made in pursuance of this agreement and not to be modifications thereof.

9. The borrower shall furnish to the lender, on or before the making of the final advance, the final certificates of approval, including certificate of occupancy, of the various governmental authorities having jurisdiction and the certificate of the Board of Fire Underwriters acting in and for the locality in which the premises are situated together with a copy of the "as built" plans, drawings and specifications for the project.

10. The borrower shall furnish to the lender, or the lender may procure at the expense of the borrower, surveys made by a surveyor satisfactory to the lender whenever required by the lender.

11. The borrower shall furnish to the lender, premiums prepaid, or the lender may procure at the expense of the borrower, insurance policies in companies, in forms and amounts satisfactory to such lender, insuring the premises against loss or damage by fire, with the usual extended coverage endorsement, and other hazards as may reasonably be required by the lender.

12. The lender may, at the expense of the borrower, employ a watchman to protect the buildings and their contents from depreciation or injury.

13. If the construction of the buildings be at any time discontinued or not carried on with reasonable dispatch in the judgement of lender, the lender may purchase materials and employ workmen to protect the buildings so that the same will not suffer from depreciation or the weather, or to complete the buildings, so that they may be used for the purposes for which they are designated under the plans and specifications.

14. All sums paid or expended in accordance with any of the foregoing provisions shall be deemed advances to the borrower and secured by the note and mortgage and may be applied, at the option of the lender, to any advances thereafter becoming due.

15. The lender may deduct from any payment to be made under this agreement any amount necessary for the payment of any fees and expenses relating to the examination of the title to the premises, including cost of surveys, charges for appraisals, inspections, drawing of papers, mortgage recording tax, revenue stamps, if any, and architects', engineers' and building loan service fees, and any expenses incurred in the procuring or the making of the loan, and in the payment of any insurance premiums, mortgages, tax, assessment, water rate, sewer rents and other charges, liens and encumbrances upon the premises whether before or after the making of the loan and any other amounts necessary for the payment of the cost of the improvement as defined by the Lien law, and apply such amounts in making the payments, and all sums so applied shall be deemed advances under this agreement and secured by the note and mortgage.

16. The lender may assign this agreement and the note and mortgage and cause the assignee or any subsequent assignee to make any advances not made at the time of the assignment, and all the provisions of this agreement shall continue to apply to the loan and note and mortgage. In case the loan is made in accordance with any of the methods mentioned in this paragraph 16, it shall be deemed a compliance by the lender with this agreement and to have been made pursuant thereto and not to be a modification thereof, and the advances so made shall be secured by the note and mortgage.

17. The borrower will not assign this contract or the moneys due thereunder or convey or encumber the property except as permitted under the terms of the mortgage without the written consent of the lender, but in such event the lender may nevertheless at the option of the lender continue to make advances under this agreement to the borrower or to those who succeed to the borrower's title; and all sums so advanced by the lender shall be deemed advances under this agreement, and not to be modifications thereof, and shall be secured by the note and mortgage. In the event of the death of the borrower while still holding title to the mortgaged premises, the lender may, at the option of the lender, in case the work upon the said improvement is continued as provided in this agreement, continue to make advances under this agreement and subject to all its terms and conditions to the borrower's executors or administrators; and all sums so advanced by the lender shall be deemed advances under this agreement, and not to be modifications thereof, as if made to the borrower in his lifetime and shall be secured by said bond or note and mortgage.

18. The borrower further agrees: (i) where stairs are required, to erect the permanent stairs with temporary treads as rapidly as the framework erected will permit; (ii) to submit to the lender, for the lender's approval the details of the construction and plans before the contract therefor is let; (iii) to give the lender sufficient notice (a) when tests of the plumbing and heating systems and structural work are to be made; and any further tests required by the lender are to be made by the contractors for such work under the direction of the lender at the expense of the borrower; and (b) to permit an examination of bottoms before any foundation materials are placed or used; and

19. The borrower further agrees that the lender shall have sufficient notice to permit an examination of the bottom of the trenches, if any, before foundation concrete is started.

20. The borrower further agrees that if there be steel in the construction of the building, the members of the steel work shall be painted after construction, a field coat different from the shop coat; and of a quality of paint approved by the lender. The borrower further agrees that the frame work of all fireproof buildings shall be of steel and all connections within a three-foot radius of columns shall be riveted.

21. The borrower further agrees that the lender shall have sufficient notice when tests of the heating, air conditioning, plumbing and framing systems and structural work are to be made, and any further tests required by the lender shall be made by the contractors for such work under the direction of the lender at the expense of the borrower.

22. In case sewers have not been installed or the street or streets adjacent to the said premises have not been paved, the borrower shall install and properly connect sewers of required specifications as to size and quality and shall pave such street or streets so as to have the same conform to the established grade thereof; and the borrower shall, upon demand, furnish evidence satisfactory to the lender of compliance with the provisions hereof.

23. The borrower further agrees that the lender shall be given an opportunity to examine all cast iron work used in the construction of the building before it is painted, and no cast iron members shall be used which are not approved by the lender. Any such member which may not have been so approved which shall be incorporated in the building shall be removed whenever required by the lender.

24. The borrower covenants and agrees not to do any act or thing prohibited by the terms of this agreement, and it is expressly agreed that in any of the following events all obligations on the part of the lender to make the loan or to make any further advance shall, if the lender so elects, cease and terminate, and the note and mortgage shall, at the option of the lender, become immediately due and payable, but the lender may make any advances or parts of advances after the happening of any of the following events without thereby waiving the right to demand payment of the mortgage debt and without becoming liable to make any other or further advances:

- (a) If the mortgage offered by the borrower does not give to the lender a good and sufficient lien for the indebtedness to be secured thereby on the premises satisfactory to the lender's attorney and Chicago Title Insurance Company.
- (b) If at the time any payment is due to the borrower the title is not satisfactory to the lender's attorney and Chicago Title Insurance Company regardless of whether the lien, encumbrance or other question existed at the time of any prior advance.
- (c) If the borrower assigns this contract or any advances or any interest therein, or if the premises are conveyed or encumbered in any way without the written consent of the lender, or if the Borrower dies before receiving the final advance hereunder.
- (d) If a survey shows that the improvement on the premises encroaches upon the street or upon adjoining property, or any adjoining structure encroaches upon the premises to an extent deemed material by the lender.
- (e) If the borrower does not take the loan or the advances within thirty days after they are made payable, or in the case where the payment of advances is dependent upon the erection of a new building, the building be not fully enclosed within four months from the date hereof or in any event if the improvement be not fully completed and ready for occupancy on or before December 31, 1984.
- (f) If the improvement on the premises is, in the judgment of the lender, materially injured or destroyed by fire or otherwise.
- (g) If a petition in bankruptcy is filed by or against the borrower or a receiver or trustee of the property of the borrower is appointed; or if the borrower files a petition for reorganization under any of the provisions of the Bankruptcy Code or of any other law, state or federal, or makes an assignment for the benefit of creditors or is adjudged insolvent by any state or federal court of competent jurisdiction.

- (h) If the borrower does not make the improvement in accordance with plans and specifications which have been previously furnished to and approved by the lender and which have been filed and approved by all governmental authorities having jurisdiction, in accordance with all laws, rules, regulations and requirements of such governmental authorities existing at the commencement of the improvement and any amendments thereof and additions thereto made with the written approval of the lender during the construction of the improvement or fails to file amended or supplemental plans and specifications, if required, because of such amendments and additions after first obtaining the written approval thereof by the lender and the approval of such governmental authorities; or if the borrower fails to furnish the lender with a written certificate issued by the department of the governmental authority in the locality in which the property is situated having jurisdiction thereof approving the plans and specifications and any amended and supplemental plans and specifications where such department has jurisdiction.
- (i) If the owner of the premises does not permit the lender, or representatives of the lender, to enter upon the premises and inspect the improvement thereon at all reasonable times and examine all detailed plans, shop drawings and specifications which are kept at the work, or fails to furnish to them, when requested, copies of such plans, drawings and specifications.
- (j) If for any cause whatever the construction of the improvement is at any time discontinued or not carried on with reasonable dispatch in the judgment of the lender.
- (k) If the borrower executes any chattel mortgage on any materials, fixtures or articles used in the construction or operation of the improvement or appurtenant thereto, or articles of personal property placed in the premises, or if any such materials, fixtures or articles are not satisfactory to the lender or are purchased on conditional bill of sale or otherwise so that the ownership thereof will not vest unconditionally in the borrower, free from encumbrance, on delivery at the premises; and if the borrower does not furnish to the lender, if requested, the contracts, bills of sale, statements, receipted vouchers and agreements, or any of them, under which the borrower claims title to such materials, fixtures and articles.
- (l) If the borrower fails to comply with any requirement of any governmental authority having jurisdiction within thirty days after notice in writing of such requirement shall have been given to the borrower; or fails to furnish to the lender, when requested, official searches made by the governmental authorities having jurisdiction.
- (m) If the borrower does not disclose to the lender, upon-demand, the names of all persons with whom the borrower contracted or intends to contract for the construction of the improvement or the furnishing of labor or material therefor.
- (n) If the borrower permits any purchaser or prospective purchaser to occupy the premises before this agreement shall have been fully performed and the final advance made thereunder except for tenants in possession pursuant to unit leases or owners of condominium homes which Lender may have released from its mortgage lien.
- (o) If the borrower fails to keep, observe or perform any of the conditions, stipulations, agreements or covenants contained in this agreement or in the note or mortgage.

25. In the event that more than one mortgage is executed pursuant to this agreement and there should be any default by the borrower in the performance of any of the conditions, stipulations, agreements and covenants contained in this agreement or in any of the notes and mortgages given in connection therewith or in the performance of the terms of the written commitment issued by lender in connection herewith, then at the option of the lender, the principal indebtedness secured by all or any of such notes and mortgages shall immediately become due and payable and all or any such mortgages may be foreclosed in either one or more actions, and any judgment of foreclosure and sale obtained therein may direct that the mortgaged premises covered by all the mortgages sought to be foreclosed in such action be sold in one parcel.

26. The borrower, in compliance with the Lien Law, Section 13, covenants that the borrower will receive the advances to be made hereunder and to be secured by the mortgage executed pursuant hereto and will hold the right to receive such advances as a trust fund to be applied first for the purpose of paying the cost of the improvement, and will apply the same first to such payment before using any part of the total of the same for any other purpose.

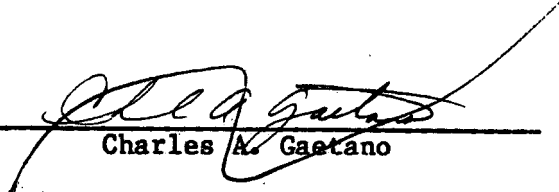
27. It is mutually understood and agreed by and between the parties hereto that the note and mortgage contemplated to be executed, acknowledged and delivered pursuant to this agreement shall be made subject to all the conditions, stipulations, agreements and covenants contained in this agreement, to the same extent and effect as they would be if fully set forth in and made part of the note and mortgage, until this agreement is terminated by the completion of the improvement described herein and the making of the final advance hereunder as provided for herein; and it is further expressly understood and agreed that this agreement is made subject to all the conditions, stipulations, agreements and covenants contained in the note and mortgage, to the same extent and effect as they would be if fully set forth herein and made a part hereof.

A true statement under oath, verified by the borrower as required by the Lien Law, Section 22, is attached hereto and made a part of this agreement.

This agreement may not be changed or terminated orally. Wherever the word "lender" is used herein it shall be deemed to include also the successors and assigns of the lender.

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement the day and year first above written.

In Presence of:


Charles A. Gaetano

Seal

KEY BANK OF CENTRAL NEW YORK

By: _____
Frank S. Morano, Vice President

STATE OF NEW YORK)
) ss:
COUNTY OF ONEIDA)

On this the day of August, 1984, before me, the subscriber, personally appeared Charles A. Gaetano, to me personally known and known to me to be the same person described in and who executed the within instrument, and he acknowledged to me that he executed the same for the purposes therein mentioned.

Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF ONEIDA)

On this day of August, 1984, before me personally came Frank S. Morano, to me personally known, who, being by me duly sworn did depose and say that he resides at 302 Hathright Road, Syracuse, New York, that he is a Vice President of Key Bank of Central New York, the corporation described in, and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Board of Directors of said corporation; and that he signed his name thereto by like order.

Notary Public

BORROWER'S AFFIDAVIT

STATE OF NEW YORK)
) ss.:
COUNTY OF ONEIDA)

Charles A. Gaetano, being duly sworn says: I reside in Utica, New York; and am the borrower mentioned in the annexed building loan contract;

The consideration paid, or to be paid, by the borrower to the lender for the loan described therein is Dollars, and that all other expenses incurred, or to be incurred, in connection with the loan are as follows:

Broker's commission,	\$ -0-
Examination and insurance of title and recording fees,	\$
Mortgage tax and additional Mortgage Tax	\$10,125.00
Architect's, engineer's and surveyor's fees,	\$
Internal revenue stamp taxes,	\$
Inspections,	\$ -0-
Appraisals,	\$
Conveyancing,	\$ -0-
Building loan service fees,	\$

Sums paid to take by assignment
prior existing mortgages, which
are consolidated with building
loan mortgages and also the in-
terest charges on such mortgages,

\$ -0-

Sums paid to discharge or reduce
the indebtedness under mortgages
and accrued interest thereon and
other prior existing encumbrances,

\$

Sums paid to discharge building
loan mortgages whenever recorded,

\$ -0-

Taxes, assessments and water rents
paid (existing prior to commence-
ment of improvement),

\$ -0-

Origination fee of lender

\$ 13,500.00

Totalling

\$

and that the net sum available to the borrower for the improvement is

less such amounts as may become due or payable for insurance premiums,
interest on building loan mortgages, ground rent, taxes, assessments, water
rents and sewer rents accruing during the making of the improvement.

This statement is made pursuant to Lien Law, Section 22.

That the facts herein stated are true to the knowledge of the
deponent.


Charles A. Gaetano

Sworn to before me this
day of August, 1984.

Notary Public

BUILDING LOAN DEMAND MORTGAGE NOTE

\$1,350,000.00

Utica, New York, August 30, 1984

FOR VALUE RECEIVED AND ON DEMAND, CHARLES A. GAETANO, residing at 1928 Redfield Road, Utica, Oneida County, New York (hereinafter the "Mortgagor"), promises to pay to KEY BANK OF CENTRAL NEW YORK, a New York banking corporation with its office and principal place of business at 201 South Warren Street, Syracuse, Onondaga County, New York (hereinafter the "Mortgagee"), or at such other place as may be designated by the holder of this Note, the principal sum of One Million Three Hundred Fifty Thousand and 00/100ths Dollars (\$1,350,000.00), or so much thereof as may be advanced, with interest thereon as follows:

All unpaid principal and interest, if not sooner demanded, shall be due and payable two years from the date of this note. Interest only, at the per annum (based upon a 360 day year) rate of one (1%) percent in excess of the prime commercial rate in effect at the Mortgagee from time to time hereafter (which rate in no event shall exceed twenty-five (25%) percent per annum) on all principal sums advanced shall be paid on the first day of September, 1984 and on the first day of each succeeding month until demand. Such interest rate shall be adjusted quarterly thereafter beginning January 1, 1985 and each succeeding calendar quarter to the per annum (based on a 360 day year) rate of one (1%) percent in excess of the prime commercial rate in effect at the Mortgage on the date preceding each of such quarterly adjustment dates.

The Mortgagor further agrees to pay to the Mortgagee concurrently with the monthly payments of interest and of principal and interest due on this Mortgage Note, until this note is fully paid, an installment equal to one-twelfth (1/12th) of the annual taxes and assessments on the mortgaged premises (all as estimated by the Mortgagee), to be applied by the Mortgagee to the payment of such taxes and assessments as and when they become due and payable, and until so applied to be held by the Mortgagee in trust for such purpose; and that if such payments shall be insufficient to pay such taxes and assessments as and when they become due and payable, the Mortgagor will pay the amount of such deficiency on demand to the Mortgagee. Any excess of the funds accumulated hereunder over the amount needed to pay taxes and assessments as aforesaid shall be credited at the option of the Mortgagee on subsequent payments to be made by the Mortgagor. The Mortgagee will waive collection of such monthly payments for taxes and assessments until Mortgagee shall notify Mortgagor that such payments shall be required.

IT IS HEREBY EXPRESSLY AGREED that the principal sum and interest secured by this Note shall at the option of the holder hereof become due on demand or upon the happening of any default or event by which, under the

terms of the Mortgage securing this Note or of the Building Loan Contract mentioned in said Mortgage, said principal sum may or shall become due and payable; also, that all of the representations, covenants, conditions, and agreements contained in said Mortgage and Building Loan Contract and any other document executed in connection therewith are hereby made part of this instrument.

Presentment for payment, notice of dishonor, protest and notice of protest are hereby waived.

This Note is secured by a Mortgage made by the Mortgagor to the Mortgagee of even date herewith, on property situate at 2525 Genesee Street in the City of Utica, County of Oneida and State of New York.

This Note may not be changed or terminated orally.

In the event that any payment to be made hereunder shall not be made within fifteen (15) days after the due date thereof, the holder hereof may collect a late charge not to exceed six (6¢) cents for each dollar of each such payment in arrears to cover the extra expenses involved in handling delinquent payments.

The Mortgagor hereby acknowledges the receipt of a true and complete unexecuted copy hereof.

In Presence of:

1st Street Time

181 Charles A. Gaetano
Charles A. Gaetano

STATE OF NEW YORK)
) **ss:**
COUNTY OF ONEIDA)

On this the 30th day of August, 1984, before me, the subscriber, personally appeared Charles A. Gaetano, to me personally known and known to me to be the same person described in and who executed the within instrument, and he acknowledged to me that he executed the same for the purposes therein mentioned.

151 Gregory A. Hodler
Notary Public

GREGORY A. HAMLIN 4517767
Notary Public, State of New York
Qualified In Ontario County
My Commission Expires March 30, 1996

Person(s) Receiving Loan: Charles A. Gaetano Date: August 30, 1984
Amount of Loan: \$ 1,350,000.00
Premises: Academy at Southgate Condominium, 2525 Genesee St., Utica, New York

A. COSTS OF LOAN:

1. Legal Services of Kernan and Kernan, P.C., as attorneys
for Key Bank of Central New York \$ 6,750.00 ✓

2. Costs paid by Borrower

Mortgage Tax on two mortgages.....	\$ 12,375.00	✓
Record Mortgages.....	\$ 44.00	
Record Deed(s).....	\$ 23.00	
Record Assignment of Rent.....	\$	
Record Modification Agreement.....	\$	
Record Consolidation Agreement.....	\$	
Record Affidavit(s).....	\$	
Record Satisfaction of Mortgage(s).....	\$	
Record Release of Mortgage.....	\$	
Record Satisfaction of Judgment.....	\$	
Record Satisfaction of Tax(es).....	\$	
File Building Loan Agreement.....	\$ 5.00	
Transfer Tax on Deed(s).....	\$	
First Title Search Bringdown.....	\$	
Final Title Search Bringdown.....	\$	
Title Insurance.....	\$ 5,489.00	✓
Real Property Tax Search(s).....	\$	
Corporation Income Tax Search (Franchise Tax)....	\$	
Bankruptcy Search.....	\$	
Survey (filing).....	\$ 10.00	
UCC Searches and/or filing.....	\$	
Appraisal.....	\$ 3,800.00	✓
Index Number.....	\$ 35.00	
TOTAL of "A1. & A2."		\$ <u>21,781.00</u>
		\$ <u>28,531.00</u>

3. Costs Paid to Bank

a. Money to pay taxes and insurance in
future (escrows).....\$

(1) Taxes.....\$

(2) Fire Insurance.....\$

(3) Flood Insurance.....\$

(4) Mortgage Insurance (FHA/PMI).....\$

b. Charge for making loan (origination fee).....\$ 8500.00

c. Appraisal of premises.....\$

d. Mortgage Insurance Premium (FHA/PMI).....\$ 8500.00

4. Bank's Mortgage Tax \$ -0- TOTAL of "A1., 2., 3." \$ 3703.00

B. PAYMENT OF LOAN: Charles A. Gaetano 559,232.70 ~~559,232.70~~ Key Bank check 247,575
TO: Kernan and Kernan, P.C. \$ 6750.00 " Q 247576
TO: Key Bank (payoff of note) \$ 253,736.30 " Q 247572
TO: Shirley A. Condit, Clerk \$ 12492.00 " Q 247571
TO: Mid State Abstracts & Information Co. Agent for \$
TO: Chicago Title Insurance Co. \$ 9489.00 " Q 247570
TO: Pomeroy Appraisal Associates, Inc. \$ 3800.00 " Q 247569
TO: Key Bank of Central New York (point) \$ 8500.00 " Q 247568

C. FIRE INSURANCE COVERAGE:

Amount of Coverage: \$ 2,500,000.00
Agent: Robert J. Hanafin
Address: 204 Washington Ave. Endicott NY
Telephone: _____
Enclosure: Policy _____ Binder X
Endorsement _____

D. REAL PROPERTY TAXES:

Year	Amount	Installment Paid
County:	<u>None</u>	
School:		
Village:		
City:		

E. REQUEST AND RECEIPT BY PERSON(S) RECEIVING LOAN:

I(We) request that the loan be paid by the Bank making and delivering checks shown above in "B". I(We) have received ~~the full amount of the loan~~
an advance on the loan of \$250,000.00
Charles A. Gaetano

F. RECEIPT FOR COSTS OF LOAN:

Received - from loan - ~~by cash~~ - ~~by check~~ \$ 19,242 check Q 247571
Q 247576

KERNAN AND KERNAN, P.C.

By: Theresa J. Hanafi

FOR OFFICE USE ONLY

Examiner	Typist
Attorney for Seller	
Attorney for Mortgagor	
Realtor	<u>None</u>

MORTGAGE

THIS MORTGAGE made this 30th day of August, 1984,

between CHARLES A. GAETANO, residing at 1928 Redfield Road, Utica,
New York, the Mortgagor,

and KEY BANK OF CENTRAL NEW YORK, a New York banking corporation
having its principal office at 201 South Warren Street,
Syracuse, New York, the Mortgagee,

W I T N E S S E T H :

that to secure the payment of an indebtedness in the sum of One Million Three Hundred Fifty Thousand and 00/100 Dollars (\$1,350,000.00), lawful money of the United States, to be paid with interest thereon according to a certain note bearing even date herewith, the Mortgagor hereby mortgages to the Mortgagee:

All that tract or parcel of land situate in the City of Utica, County of Oneida and State of New York, described as follows: BEGINNING at an iron rod being on the division line between St. Joseph's Nursing Home Co. of Utica, Inc. on the west and the site now being described on the east, said point also being 66.85 ft. westerly from the front entrance wall of the existing building (former Utica Catholic Academy Building); measuring thence S. 40 degrees 54' W. 237.00 ft. to an iron pipe; thence at 90 degrees S. 49 degrees 06' E. 50 ft.; thence at 90 degrees northeasterly 5 ft. to a point; thence S. 49 degrees 06' E. 40 ft. to a point; thence at 90 degrees southwesterly 5 ft. to a point; thence S. 49 degrees 06' E. 200 ft. to a point; thence at 90 degrees northeasterly 5 ft. to a point; thence S. 49 degrees 06' E. 20 ft. to a point; thence at 90 degrees southwesterly 5 ft. to a point; thence at 90 degrees S. 49 degrees 06' E. 117 ft. to an iron pipe; thence N. 55 degrees 39' E. 193.76 ft. to a railroad spike; thence N. 4 degrees 33' W. 204 ft. to a railroad spike in the center of a blacktop drive; thence N. 36 degrees 41' W. 303.23 ft. along the centerline of the blacktop to an iron rod; thence S. 53 degrees 17' W. 162.42 ft. to the point of beginning.

Also all that tract or parcel of land situate in the City of Utica, County of Oneida and State of New York, BEGINNING at a point being the most westerly corner of the southerly boundary or rear line of the site known as "The Academy at Southgate Condominium", measuring thence N. 49° 06' W. 35.63 feet to a point which point is the point of beginning; thence at right angles westerly 8 feet; thence N. 49° 06' W. parallel to the first course 131 feet to a point; thence at right angles easterly 8 feet to a point; thence S. 49° 06' E. 28 feet to a point; thence at right angles easterly 5 feet to a point; thence S. 49° 06' E. 20 feet to a point; thence at right angles westerly 5 feet to a point; thence S. 49° 06' W. 83 feet to the point of beginning.

With all the rights to the utilities and driveways servicing the site.

TOGETHER with a permanent easement of access for ingress and egress and the installment, replacement and maintenance of utility facilities on, under, over and across the following described strip of land:

ALL that certain strip of land situate, lying and being in the City of Utica, County of Oneida and State of New York, being bounded and described as follows:

Being a strip of land 50 ft. in uniform width, the northwest line of which commences at the most westerly corner of the first above-described parcel and runs S. 40 degrees 54' W. 464 ft. + to the curving northeast line of Eastwood Avenue. It is also intended that the entire southwest terminus of said easement shall coincide with the right of way line of said Eastwood Avenue.

It is also intended that this access for ingress and egress may be shared by the present and future owners of the premises presently owned by The Roman Catholic Diocese of Syracuse, New York and contiguous to the condominium site, and that this mortgage is subject to such access rights.

The premises herein described are shown on a Survey Map entitled "The Academy at Southgate Condominium" prepared by A.A. Santucci L.S. dated June 13, 1983 and redated as of August 2, 9 and 21, 1984 which survey map is to be filed in the Office of the Oneida County Clerk concurrently with the recording of this mortgage.

Together with all right and interest of Mortgagor in and to Miles Avenue as shown on such map and together with all rights of way and easements of record.

This mortgage is a purchase money mortgage. This mortgage is subject and subordinate to the Declaration of the Condominium of The Academy at Southgate and the By Laws attached thereto and all amendments to either of same to be filed subsequent to the recording of this mortgage.

TOGETHER with all fixtures and articles of personal property now or hereafter attached to or used in or on or in connection with said premises and adapted to and/or necessary for the proper use and employment of the same, and all of the right, title and interest, if any, now or hereafter owned by the Mortgagor or any successor in interest or any subsequent grantee of the premises in and to any streets, roads, avenues, lanes or rights of way as they formerly existed, now exist, or may hereafter exist, adjacent to said premises; together with appurtenances to all of said property, all of which are covered by this Mortgage.

TOGETHER with any and all awards heretofore and hereafter made to the present and all subsequent owners of the mortgaged premises by any governmental or other lawful authorities for taking by eminent domain the whole or any part of said premises or any easement therein, including any awards for any changes of grade of streets, which said awards are hereby assigned to the holder of this Mortgage, who is hereby authorized to collect and receive the proceeds of any such awards from such authorities and to give proper receipts and acquittances therefor, and to apply the same toward the payment of the amount owing on this Mortgage, notwithstanding the fact that the amount owing thereon may not then be due and payable.

TO HAVE AND TO HOLD said premises to the said Mortgagee, its successors and assigns forever.

AND the Mortgagor covenants with the Mortgagee as follows:

1. That the Mortgagor will pay the indebtedness as hereinbefore provided.

2. That the Mortgagor will keep the buildings on the premises insured against loss by fire for the benefit of the Mortgagee; that Mortgagor will assign and deliver the policies to the Mortgagee; and that Mortgagor will reimburse the Mortgagee for any premiums paid for insurance made by the Mortgagee on the Mortgagor's default in so insuring the buildings or in so assigning and delivering the policies.

3. That no building on the premises shall be altered, removed or demolished without the consent of the Mortgagee. (see paragraph 27 hereof)

4. That the whole of said principal sum and interest shall become due at the option of the Mortgagee after default in the payment of any installment of principal or of interest for fifteen days; or after default in the payment of any tax, water rate, sewer rent or assessment for ten days after notice and demand; or after default after notice and demand either in assigning and delivering the policies insuring the buildings against loss by fire or in reimbursing the Mortgagee for premiums paid on such insurance as hereinbefore provided; or after default upon request in furnishing a statement of the amount due on the mortgage and showing whether any offsets or defenses exist against the mortgage debt as hereinafter provided. An assessment which has been made payable in installments at the application of the Mortgagor or lessee of the premises shall nevertheless, for the purpose of this paragraph, be deemed due and payable in its entirety on the day the first installment becomes due or payable or a lien.

5. That the holder of this mortgage, in any action to foreclose it, shall be entitled to the appointment of a receiver without notice to mortgagor.

6. That, subject to paragraph No. 7 hereof, the Mortgagor will pay all taxes, assessments, sewer rents, or water rates, and in default thereof, the Mortgagee may pay the same.

7. That in order more fully to protect the security of this Mortgage, the Mortgagor will also pay to the Mortgagee concurrently with the monthly payments due on the Mortgage Note or obligation, until the said note or obligation is fully paid, an installment equal to one-twelfth (1/12th) of the annual taxes and assessments on the mortgaged premises (all as estimated by the Mortgagee), to be applied by the Mortgagee to the payment of such taxes and assessments as and when they become due and payable, and until so applied to be held by the Mortgagee in trust for such purpose; and that if such payments shall be insufficient to pay such taxes and assessments as and when they become due and payable, the Mortgagor will pay the amount of such deficiency on demand to the Mortgagee. Any excess of the funds accumulated hereunder over the amount needed to pay taxes and assessments as aforesaid shall be credited at the option of the Mortgagee on subsequent payments to be made by the Mortgagor hereunder or on the principal or interest of the indebtedness hereby secured. The Mortgagee will waive collection of the payments herein required until Mortgagee shall notify Mortgagor that such payments shall be required.

8. That the Mortgagor, within five days upon request in person or within ten days upon request by mail, will furnish a written statement duly acknowledged of the amount due on this mortgage and showing whether any offsets or defenses exist against the mortgage debt.

9. That notices, demands or requests may be in writing and may be served in person or by mail.

10. That the Mortgagor warrants the title to the premises.

11. That the fire insurance policies required by paragraph No. 2 above shall contain the usual extended coverage endorsement; that in addition thereto the Mortgagor, within thirty days after notice and demand, will keep the premises insured against war risk and other hazard that may

reasonably be required by the Mortgagee. All of the provisions of paragraphs No. 2 and No. 4 above relating to fire insurance and the provisions of Section 254 of the Real Property Law construing the same shall apply to the additional insurance required by this paragraph.

12. That in case of a foreclosure sale, the premises or so much thereof as may be affected by this mortgage, may be sold together as one parcel, any provision of law to the contrary notwithstanding.

13. That in the event of a default hereunder, and, if any action is commenced for the foreclosure of this Mortgage, the Mortgagee shall be entitled to recover all sums due hereunder, statutory costs, any additional allowances made pursuant to Sections 8302 and 8303 of the Civil Practice Law and Rules of the State of New York, and in addition thereto, attorney's fees in an amount equal to 5% of the principal balance then due or the sum of \$500.00, whichever is greater, and such amount shall be added to the said principal balance then due and shall be a lien on said premises, prior to any right or title to, interest in or claim upon said premises attaching or accruing subsequent to the lien of this Mortgage, and shall be deemed to be secured by this Mortgage and the indebtedness which it secures. The amounts of any such allowances and fees shall be approved by the Court.

14. That if any action or proceeding be commenced (except an action to foreclose this mortgage or to collect the debt secured thereby), to which action or proceeding the Mortgagee is made a party, or in which it becomes necessary to defend or uphold the lien of the mortgage, all sums paid by the Mortgagee for the expenses of any litigation to prosecute or defend the rights and lien created by this mortgage (including reasonable counsel fees), shall be paid by the Mortgagor, together with interest thereon at the rate of nine per centum per annum, and any such sum and the interest thereon shall be a lien on said premises, prior to any right, or title to, interest in or claim upon said premises attaching or accruing subsequent to the lien of this mortgage and shall be deemed to be secured by this mortgage. In any action or proceeding to foreclose this mortgage, or to recover or collect the debt secured thereby, the provisions of paragraph No. 13 above and of law respecting the recovery of costs, disbursements and allowances shall prevail unaffected by this covenant.

15. The Mortgagor hereby covenants with the Mortgagee that to the extent not inconsistent with any separate or other assignment of rents of the mortgaged premises or any part thereof to the Mortgagee by the Mortgagor as security for the payment of said indebtedness, the Mortgagor hereby assigns to the Mortgagee the rents under each oral and written lease of the mortgaged premises as further security for the payment of said indebtedness and grants to the Mortgagee the right to collect the same and to apply the same after payment of all necessary charges and expenses on account of said indebtedness, which assignment and grant shall continue in effect until this mortgage is paid; with the understanding and agreement that the Mortgagee hereby waives the right to collect such rents and said Mortgagor shall be entitled to collect and receive the same until default under any of the covenants, conditions or agreements contained in this mortgage or in said separate or other assignment of rents to the Mortgagee or in any other document executed in connection herewith, and agrees to use such rent in payment of principal and interest becoming due on this mortgage and in the payment of taxes, assessments, sewer rents, water charges and carrying charges becoming due against said premises but such right of said Mortgagor may be revoked by the Mortgagee upon any default on five (5) days' written notice. The provisions of section 291(f) of the Real Property Law are hereby made a part of this mortgage in the same manner as though herein set out in full. The Mortgagor agrees that in accordance with the provisions hereof it will not, without the prior written consent of the holder of this mortgage, cancel, abridge or otherwise modify tenancies, subtenancies, leases or subleases of the mortgaged premises in existence at the date hereof, or to accept prepayments of installments of rent to become due thereunder.

16. The Mortgagor covenants that it owns by assignment or otherwise all leases, if any, of the mortgaged premises and they are in fact and law subordinate to the lien of this mortgage, and that all leases or renewals or extensions thereof shall be subject to the approval of the Mortgagee.

17. That the Mortgagor will, on demand and at the option of the Mortgagee, cause to be assigned to the Mortgagee as additional collateral for the indebtedness secured by this mortgage, any and all leases hereafter affecting the mortgaged premises, together with the right to receive the rentals therefrom.

18. That the whole of said principal sum and the interest thereon shall become due at the option of the Mortgagee: (a) after failure to exhibit to the Mortgagee, within ten days after demand, receipts showing payment of all taxes, water rates, sewer rents and assessments; or (b) after the actual or threatened alteration, demolition or removal of any building on the premises without the written consent of the Mortgagee; or (c) after the assignment of the rents of the premises or any part thereof without the written consent of the Mortgagee; or (d) if the buildings on said premises are not maintained in reasonably good repair; or (e) after failure to comply with any requirement or order or notice of violation of law or ordinance issued by any governmental department claiming jurisdiction over the premises within three months from the issuance thereof; or (f) if on application of the Mortgagee two or more fire insurance companies lawfully doing business in the State of New York refuse to issue policies insuring the buildings on the premises; or (g) in the event of the removal, demolition or destruction in whole or in part of any of the fixtures, chattels or articles of personal property covered hereby, unless the same are promptly replaced by similar fixtures, chattels and articles of personal property at least equal in quality and condition to those replaced, free from chattel mortgages or other encumbrances thereon and free from any reservation of title thereto; or (h) after thirty days' notice to the Mortgagor, in the event of the passage of any law deducting from the value of land for the purposes of taxation any lien thereon, or changing in any way the taxation of the mortgages or debts secured thereby for state or local purposes; or (i) if the Mortgagor fails to keep, observe and perform any of the other covenants, conditions or agreements contained in this mortgage or in any other document executed in connection herewith or if a default occurs under the Building Loan Contract executed herewith; or (j) in the event of the entry of final judgment for the payment of money against the Mortgagor and failure to discharge such judgment or to have it stayed pending appeal within sixty days from the entry thereof, or, if such judgment shall be affirmed on appeal, failure to discharge such judgment within sixty days from the entry of such affirmance; or (k) after failure of the Mortgagor to observe and timely perform all covenants contained in any lease now or hereafter affecting the premises or any portion thereof on the part of the Mortgagor/Landlord to be observed and performed; or (l) in the event of the filing by or against the Mortgagor of a petition seeking an order of relief that Mortgagor is a debtor under the Bankruptcy Code or seeking reorganization or the effectuation of an arrangement with creditors or any readjustment, imposition or extension of indebtedness; or the entry of any order of any court appointing a receiver or trustee for the Mortgagor of all or a substantial portion of his property and failure to have such order vacated or stayed within sixty (60) days after its entry; or assignment for the benefit of creditors by the Mortgagor; or issuance of a writ or warrant of attachment or similar process against all or any substantial portion of the property of the Mortgagor, and failure to have such writ or warrant of attachment or similar process released or bonded within sixty (60) days after its issuance; or insolvency of the Mortgagor; or (m) in the event that any mechanic's or other liens are filed against the premises within four months after the date of completion of the improvements and such lien is not discharged of record within thirty (30) days by bonding or otherwise; or (n) in the event of any sale, lease (excepting sales of condominium homes, transfers of common elements, or unit leases)

or other change of ownership of the Mortgagor's interest in the mortgaged premises whether occurring by voluntary act of the Mortgagor or his successors in interest thereof or involuntarily or by operation of law or otherwise without the prior written consent of the Mortgagee; or (o) in the event that on or before December 31, 1984, the premises are not legally declared as a condominium pursuant to Article 9-B of the Real Property Law of the State of New York (as contemplated by the Mortgagee's written loan commitment herein the terms of which commitment are incorporated herein by reference as if set forth at length said terms to survive the delivery of this Mortgage) with the right reserved to the Mortgagee to demand and receive such proof as it may deem necessary and appropriate as to such declaration and other legal requirements.

19. The Mortgagor further covenants that Mortgagor will do, execute, acknowledge, deliver, file and/or record or cause to be done, executed, acknowledged, delivered, filed and/or recorded all and every such further acts, deeds, conveyances, advances, mortgages, transfers and assurances in law as the Mortgagee shall reasonably require for the better assuring, conveying, transferring, mortgaging, assigning and confirming unto the Mortgagee all and singular the premises, estate and property hereby mortgaged or intended so to be.

20. That the Mortgagor is now the owner of the premises upon which said mortgage is a valid lien for the amount above specified with interest thereon, and that there are no defenses or offsets to said mortgage or to the debt which it secures.

21. That the holder of this mortgage shall have the right to foreclose the same by reason of a breach of any of the within covenants or a breach of any covenant set forth in any other document executed in connection herewith, and, in addition thereto, shall have the right to foreclose the same by reason of any default or breach which gives to the holder of this mortgage the right to accelerate payment of principal or to call due the principal sum.

22. In the event that any payment shall become overdue for a period in excess of fifteen (15) days a "late charge" of six cents (6¢) for each dollar (\$1.00) so overdue may be charged by the holder hereof for the purpose of defraying the expense incident to handling such delinquent payment.

23. That the Mortgagor will, in compliance with Section 13 of the Lien Law, receive the advances secured hereby and will hold the right to receive such advances as a trust fund to be applied first to the payment of the cost of the improvement before using any part of the total of the same for any other purpose.

24. That in the event the mortgaged premises are sold (excepting sales of condominium homes or transfers of common elements), the full payment of principal and interest then due under the Mortgage Note shall immediately become due and payable, unless at or prior to the consummation of such sale the Mortgagee gives written approval of the assumption by the new owner of the amount due under the Note secured by this Mortgage. Acceptance by the Mortgagee of any monthly payment or other partial payment after the consummation of any such sale shall not constitute a waiver of the provisions of this paragraph; and the provisions hereof shall apply to each subsequent sale of the Mortgaged premises.

25. Mortgagor agrees to execute any Uniform Commercial Code financing statements which Mortgagee may reasonably request in connection with the execution of this Mortgage; if Mortgagor fails to do so, Mortgagor hereby authorizes Mortgagee to file such statements without execution by Mortgagor. Mortgagor agrees to pay immediately upon demand the filing fee for any such financing statement or any continuation statement related thereto.

26. Any security interest in personal property received by the Mortgagee in connection with the Note may, at the option of its holder, be realized upon or enforced either in conjunction with the foreclosure of this Mortgage or otherwise and it is further agreed that at any foreclosure sale, at the option of the holder, said personal property may be sold together with the real property or separately.

27. No building now or hereafter situate on the Premises shall be demolished or so altered as to substantially limit its present uses or purposes or affect its design or structure (except as heretofore agreed to by Mortgagee) without the written consent of the Mortgagee; Mortgagor agrees it will maintain the mortgaged Premises in proper first class condition and state of repairs to the reasonable satisfaction of the Mortgagee and will do no act which would impair the lien or interest of the Mortgagee.

28. Provided the Mortgagor has first obtained all necessary governmental approvals and permits for the construction and sale of thirty-nine (39) residential condominium units on the mortgaged premises in accordance with the plans, drawings and specifications submitted to the Mortgagee, and the Mortgagor is not in default of any of the terms of the Note, this Mortgage, the Building Loan Contract, or any other documents executed in connection therewith, and as closings on the sales of condominium units occur, the Mortgagee, in accepting this Mortgage, hereby agrees to release from the lien of this mortgage such sold condominium units and such units' interests in common areas and garages upon Mortgagor's paying to Mortgagee the sums calculated in accordance with the written commitment for a mortgage loan dated June 21, 1984 and accepted by Mortgagor on June 22, 1984 the specific terms of which commitment are incorporated herein by reference as if set forth at length.

29. This Mortgage is made and executed pursuant to the terms and conditions of a Note, Building Loan Contract and other related documents (the terms of which are incorporated herein) this date entered into between the Mortgagee and Mortgagor.

This mortgage may not be changed or terminated orally. The covenants contained in this mortgage shall run with the land and bind the Mortgagor, the heirs, successors and assigns of the Mortgagor and all subsequent owners, encumbrancers, tenants and subtenants of the premises, and shall inure to the benefit of the Mortgagee, the successors and assigns of the Mortgagee and all subsequent holders of this mortgage.

IN WITNESS WHEREOF, this mortgage has been duly executed by the Mortgagor, and the Mortgagor hereby acknowledges receipt of a true and complete unexecuted copy hereof.

In Presence of:

18/ Stuart E. Tice

18/ Charles A. Gaetano
Charles A. Gaetano

STATE OF NEW YORK)
) ss:
COUNTY OF ONEIDA)

On this the 30th day of August, 1984, before me, the subscriber, personally appeared Charles A. Gaetano, to me personally known and known to me to be the same person described in and who executed the within instrument, and he acknowledged to me that he executed the same for the purposes therein mentioned.

18/ Gregory A. Hamlin
Notary Public
GREGORY A. HAMLIN 4517767
Notary Public, State of New York
Qualified in Oneida County
My Commission Expires March 30, 1986